

PENNSYLVANIA ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS



Pennsylvania is the proud home of two Clean Cities:

Philadelphia

Pittsburgh

Overview

Pennsylvania has several incentives for alternative fuel vehicles (AFVs), including tax exemptions and registration fee exemptions for electric vehicles (EVs). The main incentive for all AFVs is the Alternative Fuels Incentives Grants (AFIG) Program, offered by the Pennsylvania State Energy Office. The AFIG Program currently offers to pay 50% of the cost for converting vehicles to alternative fuels, 50% of the incremental cost for the alternative fuel option on a new factory-equipped vehicle, and 50% of the costs to install refueling equipment.

Several utility companies in Pennsylvania are very active in promoting the use of AFVs. Consolidated Natural Gas Company offers \$1,000 rebates for the purchase of a factory-equipped dedicated natural gas vehicle (NGV). Many of the other utilities will work with their customers to offer custom incentives for natural gas or electric vehicles.

Highlights

- \$ The Pennsylvania State Energy Office's Incentive Grants pay a percentage of expenses for:
 - Conversion of vehicles to alternative fuels
 - Incremental cost to purchase a dedicated AFV
 - Costs to install fueling equipment
- \$ \$1,000 rebates on original equipment manufacturer (OEM) NGVs in 1995 from Consolidated Natural Gas Company

State Incentives

- \$ The Pennsylvania State Energy Office has established the AFIG fund (through Act 166 of 1992) to reduce Pennsylvania's dependence on imported oil and improve air quality through the use of alternative fuels. Potential recipients include school districts, municipal authorities, political subdivisions, nonprofit entities, corporations, partnerships, and residents. Alternative fuels under the AFIG Program include natural gas, propane, ethanol, methanol, hydrogen, electricity, and other fuels which qualify under the Energy Policy Act (EPACT).

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State Incentives (cont.)

The incentive grants will pay a percentage of expenses for conversion of vehicles to alternative fuels, incremental cost to purchase a dedicated AFV, and costs to install the necessary fueling equipment. Percentages paid by AFIG are shown in the table below. The remaining amounts must be paid by the grantee from other sources, all of which must be identified.

Alternative Fuels Incentive Grants

<u>Funding Cycle</u>	<u>Application Deadline</u>	<u>Percent Funded</u>
7/1/95 to 6/30/96	10/1/95	50%
7/1/96 to 6/30/97	10/1/96	50%
7/1/97 to 6/30/98	10/1/97	40%
7/1/98 to 6/30/99	10/1/98	40%
7/1/99 to 6/30/00	10/1/99	30%
7/1/00 to 6/30/01	10/1/00	30%
7/1/01 and on	10/1	20%

Funds for AFIG come from a portion of the gross receipts tax paid by some of the Pennsylvania utilities. The estimated amount available in any given funding cycle is \$3-4 million. No more than 10% of the fund may go to any one recipient, and no more than 15% of the fund may go to recipients within the same county.

Contact the Pennsylvania State Energy Office to request an application at (717) 783-9981. For additional information about the grants program, contact Sue Summers at the same phone number.

Utilities/Private Incentives

\$ Consolidated Natural Gas Company offers \$1,000 rebates on OEM NGVs in 1995. No-interest loans are available through the Technology Demonstration Fund for conversions and refueling station construction projects. On a case-by-case basis, Consolidated Natural Gas Company will also provide fleets with temporary refueling facilities and NGV loaners. In addition, Consolidated Natural Gas Company provides complementary site inspections, bid preparations, evaluations, and technical assistance and training to fleets converting their vehicles or constructing refueling stations. For more information, contact Cecily Franklin at (412) 227-1039.

Columbia Gas of Pennsylvania, Inc. is currently opening one new NGV fueling station per week as part of a 1994 Five-Year Infrastructure Plan, which, by the end of 1995, will result in approximately 75 operational NGV fueling stations in its 5-state service territory. Areas serviced include Pittsburgh, Uniontown, State College, and York. Customers are provided pre-installation/conversion fleet and fueling analysis, extensive engineering assistance, a comprehensive training program, as well as temporary fueling facilities. For additional information, contact the NGV Hotline at (800) 866-4GAS extension 54, Bob Crouse at (717) 843-8638, or Tom Herbertson or Mike Huwar at (412) 572-7121.

Equitable Gas provides incentives and creative financing for NGVs and refueling stations on a case-by-case basis. Equitable Gas also offers customers technical assistance and vehicle conversion training. For additional information, contact A.J. Taormina at (412) 442-3119, or Steve Shearson at (412) 442-3112.

Pennsylvania Gas & Water has incentives on a case-by-case basis and a loan program. Contact Fran Rainier at (717) 829-8841 for more information.

PENNSYLVANIA ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Utilities/Private Incentives (cont.)

Pennsylvania Power and Light Company offers a 2¢/kWh credit for electricity used to charge an EV. Credits are based on estimated usage. To receive the credit, customers must show a valid vehicle registration and proof of insurance each year. For more information on how to apply for the credit, contact Ken Quinty at (610) 774-5432.

Philadelphia Electric Co. (PECO) offers tailored financial incentives for compressed natural gas (CNG) conversions, purchases of OEM vehicles that run on natural gas, or installation of fueling infrastructure. For more information on PECO NGV programs, contact Paul Dwyer at (215) 841-6471. PECO offers discounted rates for electricity used to charge an EV. For more information on PECO EV programs, contact John Lucas at (215) 841-6892.

Philadelphia Gas Works offers rebates and incentives on a case-by-case basis and provides energy analysis for customers converting to NGVs. Grant monies totaling \$20,000 are available for NGV purchases. Contact Anthony DiGiovanni at (215) 684-6742 for more information.

Laws & Regulations

House Bill (HB) 2751 (1992) established a 0.5% utility gross receipts tax earmarked for AFV conversions and refueling stations. During the first two years of the program, the fund will pay up to 60% of capital costs.

Act 22 of 1991 provides a sales tax exemption for the differential cost of EV purchases until December 31, 1999.

Act 139 of 1992 exempts the annual registration fee for EV purchases and conversions. This exemption will expire on December 31, 1999.

Points of Contact

Philadelphia Clean Cities Coordinator

David Byerman (610) 408-8791
Philadelphia Clean Cities Program

Pittsburgh Region Clean Cities Coordinator

Chuck DiPietro (412) 391-5590
Southwestern Pennsylvania Regional extension 310
Planning Commission

Pennsylvania State Energy Office

Department of Environmental Protection
Bureau of Energy Services
Sue Summers (717) 783-9981

Columbia Gas of Pennsylvania, Inc.

NGV Hotline (800) 866-4GAS extension 54
Bob Crouse (717) 843-8638
Tom Herbertson (412) 572-7121
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Consolidated Natural Gas Company

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Equitable Gas

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John Lucas (EV programs) (215) 841-6892

Philadelphia Gas Works

Anthony DiGiovanni (215) 684-6742

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Points of Contact (cont.)

Metropolitan Planning Organizations

Southwestern Pennsylvania Regional Planning Commission

Robert Kochanowski (412) 391-5591

Cambria County Planning Commission

Bradford Beigay (814) 472-2106

Erie County Department of Planning

David Skellie (814) 451-6336

Altoona Area Transportation Study

Richard Haines (814) 695-5541
extension 360

Tri-County Regional Planning Commission

Tim Reardon (717) 234-2639

York County Planning Commission

Felicia Dell (717) 771-9870

Lehigh Valley Transportation Study

Joe Gurinko (610) 264-4544

Lackawanna County Regional Planning Commission

Steven Pitoniak (717) 963-6400

Delaware Valley Regional Planning Commission

Ron Roggenburk (215) 592-1800

Berks County Planning Commission

Allen Piper (610) 478-6300

Pennsylvania State Transportation Contact

Department of Transportation
Larry King (717) 787-3154

U.S. Department of Energy Regional Support Office

Philadelphia Regional Support Office
James Ferguson (215) 656-6977

U.S. Department of Transportation Contacts

Federal Highway Administration

Region 3
Mario Jorquera (410) 962-3744

Federal Transit Administration

Region 3
John Garrity, Jr. (215) 656-6900

General Services Administration

Regional Fleet Manager

Region 3
Wayne Weaver (215) 656-3803

U.S. Environmental Protection Agency

Regional Pollution Prevention Coordinators

Region 3
Cathy Libertz (215) 597-0765
Jeff Burke (215) 597-8327